

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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IN RE SEPTEMBER 11 PROPERTY DAMAGE :
AND BUSINESS LOSS LITIGATION : 21 MC 101 (AKH)
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AEGIS INSURANCE SERVICES, INC., et al., :
: Plaintiffs, :
- against - : 02 Civ. 7188 (AKH)
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THE PORT AUTHORITY OF NEW YORK :
AND NEW JERSEY, et al., :
Defendants. :

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CERTAIN UNDERWRITERS, et al., :
: Plaintiffs, :
- against - : 02 Civ. 7328 (AKH)
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THE PORT AUTHORITY OF NEW YORK :
AND NEW JERSEY, et al., :
Defendants. :

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AEGIS INSURANCE SERVICES, INC., et al., :
: Plaintiffs, :
- against - : 04 Civ. 7272 (AKH)
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7 WORLD TRADE CENTER COMPANY, :
L.P., et al., :
Defendants. : ORDER REGULATING
: DISCOVERY
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ALVIN K. HELLERSTEIN, UNITED STATES DISTRICT JUDGE:

The parties appeared before me at a status conference on February 16, 2006 at which time I directed that they proceed with developing a plan for limited, prompt discovery. By joint letter of March 2, 2006, the parties inform me that they are in disagreement as to the scope of the discovery.


In accordance with my directives at the February 16 conference, and upon review of the joint letter, the parties are directed to conduct discovery as to three issues:

1. Defendant Citigroup's status as an alleged third-party beneficiary of the contract between the Port Authority and Con Ed as well as the related questions of the scope of the obligations assumed by Citigroup, the Port Authority and Silverstein under their various contracts.
2. The scope and extent of the Port Authority's regulatory authority of the World Trade Center in the context of construction and leasing, and its issuance to Citigroup of a Permit to Occupy—all in the context of the argued displacement of normal rules of New York tort law.
3. Whether Citigroup had actual notice as to any defect in its Emergency Backup System, in the context of whatever duty it owed to Con Edison.

The parties are directed to appear before me for a conference on Tuesday, April 4 at 2:00 P.M. to prepare a plan of discovery in light of the above rulings, taking into consideration the proposals of all involved parties, and proposing completion by the earliest predictable date. In advance of the conference, the parties should confer to address the issues of setting up a document depository, establishing a protocol for production and inspection of documents, and to prepare a case management order. To the extent feasible, the parties should also fix a motion schedule for motions to be filed subsequent to completion of discovery. In advance of the conference, by 5:00 P.M. on Monday, April 3, the parties should submit for my review the proposed case management order.

SO ORDERED.

Dated: New York, New York
March 23, 2006


ALVIN K. HELLERSTEIN
United States District Judge